

timing is everything



with Mary Druke-Collins

The annual open enrollment period for health insurance purchased on the individual market is HERE and now is the time to act! For 2017, the open enrollment period runs from November 1, 2016 through January 31, 2017. The individual market includes policies purchased through the health insurance marketplace (www.healthcare.gov) and those purchased directly from insurance companies.

As a reminder, under the Affordable Care Act (ACA), if you are a legal resident of the U.S. and don't have health insurance, you will probably have to pay a fine. In 2016, the penalties for not having health insurance are the maximum of \$695 per person or 2.5% of your household income for each person not having health insurance. (At the writing of this article, the IRS had not yet released the 2017 penalties.)

If you are self-employed, your employer does not offer coverage, or if you would like to see if you can obtain lower cost coverage, open enrollment is your time to do so. If you are eligible for premium tax credits (lower premiums) and cost sharing assistance (lower copays, deductibles and out of pocket expenses), you will need to apply for coverage through the Marketplace. Both Nebraska and Iowa utilize the federal marketplace, which can be accessed at www.healthcare.gov.

You might be eligible for premium tax credits if you meet certain conditions: your employer does not offer you a medical plan that meets ACA requirements, you are not eligible for Medicaid or Medicare and you make less than four times the Federal Poverty Level (FPL). In 2016, the FPL is \$11,770 for a one-person household and \$24,250 for a four-person household.

If you are purchasing your plan through the individual market, there are critical dates within open enrollment you need to know:

- November 1, 2016: Open enrollment begins. If you would like to enroll in a health plan or change the health plan you had in 2016, you can make those changes now. Any plan changes or new enrollments will be effective January 1, 2017 at the earliest.
- December 15, 2016: This is the last day for enrollments to be effective January 1, 2017.
- December 31, 2016: If you had coverage in 2016, this is the last day for the 2016 plan. Most carriers automatically renew 2016 plans as of January 1, 2017, but there might be changes to the benefits.
- January 15, 2017: This is the last day to apply for coverage for an effective date of February 1, 2017.
- January 31, 2017: This is the last day you can apply for 2017 coverage. If you apply on this day, your coverage will probably begin on March 1, 2017.

For most people, open enrollment is the ONE time a year to enroll in health insurance through the Marketplace or the individual market. Generally, if you miss open enrollment, you cannot enroll in coverage again until open enrollment 2018. Some individuals may be eligible for a 'Special Enrollment Period' (SEP). A SEP occurs if you lose coverage or experience a change in your family structure, such as losing employer-sponsored coverage, getting divorced/married, having a baby/adopting a child or losing coverage through your parents' plan on your 26th birthday. You have 60 days after a SEP to enroll in individual market coverage.

If you are purchasing your health insurance this year on the individual market, make sure you review your options during open enrollment. Timing is everything - this could be your one chance this year to get health insurance!